

Press Release
30 October 2003



A-REIT Completes Acquisition of Ultro Building

30 October 2003, Singapore – Ascendas-MGM Funds Management Limited (the “Manager”), the manager of Ascendas Real Estate Investment Trust (“A-REIT”), is pleased to announce the completion today of A-REIT’s acquisition of Ultro Building. Bermuda Trust (Singapore) Limited (the “Trustee”), as trustee of A-REIT, has today exercised the call option under the Put and Call Option Agreement (“Option Agreement”) entered into on 4 September 2003 between Ultro Technologies Limited (“Ultro”) and the Trustee regarding the sale and lease-back of Ultro Building.

The proposed acquisition of Ultro Building located at 1 Changi Business Park Avenue 1 Singapore 486058 by A-REIT from Ultro for a purchase price of S\$18.0 million was first announced on 4 September 2003. The transaction was conditional upon, amongst other things, the approval of Ultro’s shareholders at an extraordinary general meeting to be convened by Ultro. Such approval was obtained at an extraordinary general meeting of Ultro’s shareholders convened on 29 October 2003.

Pursuant to the Trustee’s exercise of the call option under the Option Agreement, the Trustee and Ultro entered into the sale and purchase agreement for Ultro Building and completed the sale and purchase on the same day for a total purchase price of S\$18.0 million. Following the completion of the sale and purchase of Ultro Building, the Trustee and Ultro entered into a lease agreement (the “Lease Agreement”) under which Ultro has agreed to lease the building from A-REIT for a term of 10 years, with rents payable commencing from today.

The Ultro building will contribute to the rental income of A-REIT from the date of acquisition and the estimated increase in A-REIT’s net property income arising from the acquisition of the Ultro Building is S\$1.6 million in the first year of ownership. The Lease

Agreement provides for stepped increases of the rent payable by Ultro of 2.5 per cent. per annum until the end of the term under the Lease Agreement. The property yield from this eleventh property in A-REIT's portfolio is expected to be 8.91 per cent. before acquisition costs, and 8.51 per cent. after acquisition costs in the first year.

Mr Goh Kok Huat, Chief Executive Officer of the Manager said, "We are pleased to have Ultro Technologies Limited as our tenant with the 10-year lease arrangement following the completion of the acquisition of Ultro Building. The accretive returns of this acquisition will be reflected in our third quarter results for the financial year ending 31 March 2004."

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About A-REIT

A-REIT is the first business space and light industrial REIT listed on the SGX-ST. Including the Ultro Building acquired on 30 October 2003, it has a diversified portfolio of eleven properties comprising business park (including science park), light industrial and built-to-suit properties in Singapore, with a book value of approximately S\$676 million. These properties house a tenant base of over 300 international and local companies operating in a range of industries and activities, including research and development, life sciences, information technology, engineering and light manufacturing. Tenants include Biopharmaceutical Manufacturing Technology Centre, Federal Express, Ghim Li Global, Honeywell, Lilly Systems Biology, OSIM International, Teradyne and Venture Corporation, just to name a few. The rental income from the tenants contributes to the stability of A-REIT's distributions.

A-REIT is managed by **Ascendas-MGM Funds Management Limited**, a joint venture between Singapore-based Ascendas Investment Pte Ltd, a related company of Ascendas Land (Singapore) Pte Ltd, and Australian-based Macquarie Goodman Industrial Management Pty Limited.

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Disclaimer

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions.

Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

The value of units in A-REIT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of A-REIT is not necessarily indicative of the future performance of A-REIT.